

Message Text

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ORIGIN AF-06

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DODE-00 PM-04 H-02 INR-07 L-03 NSAE-00 NSC-05 PA-01

PRS-01 SP-02 SS-15 USIA-06 AID-05 OPIC-03 OMB-01

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APPROVED BY AF/W-THOMAS W. M. SMITH

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FM SECSTATE WASHDC

TO AMEMBASSY COTONOU PRIORITY

INFO USMISSION USUN NEW YORK

C O N F I D E N T I A L STATE 062825

E.O. 11652: GDS

TAGS: PFOR, EINV, DM. US

SUBJECT: AMBASSADOR BOYA ON COMPENSATION FOR EXPROPRIATED
FIRMS

REF: STATE 55153

SUMMARY: AMBASSADOR BOYA CALLED ON AF/W DIRECTOR MARCH 9,
TO DELIVER MESSAGE FROM GPRB THAT USG CAN REST ASSURED
NEGOTIATIONS WILL BEGIN ASAP WITH AMERICAN OIL FIRMS
WHOSE ASSETS HAVE BEEN NATIONALIZED. BOYA SAID TALKS
COULD BEGIN ANY TIME AFTER 20 FEBRUARY. WE NOTED THAT
WHILE THIS WAS GOOD NEWS, WE WERE WAITING NOW FOR TALKS
TO BEGIN, SINCE THEY ARE BEING DELAYED BY IDEOLOGICAL
SEMINAR NOW IN PROGRESS. BOYA COULD SHED NO LIGHT ON
OTHER OUTSTANDING ISSUES, BUT DID NOTE THAT GPRB DESIRED
THAT RELATIONS WITH US DO NOT "WORSEN". END SUMMARY

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1. AMBASSADOR BOYA ASKED TO CALL ON AF/W DIRECTOR MARCH 9.

BOYA BEGAN WITH BRIEF OPENING STATEMENT IN WHICH HE MADE FOLLOWING POINTS:

A) HE HAD BEEN REQUESTED BY GPRB TO REAFFIRM THAT NEGOTIATIONS WITH MOBIL AND TEXACO COULD BEGIN VERY SOON. THE GPRB WAS NOW PREPARED TO DISCUSS THE MATTER AND NEGOTIATIONS COULD BEGIN ANY TIME AFTER FEBRUARY 20.

B) THE GPRB WAS "BOTHERED" BY THE DEADLINE (IMPOSED BY THE HICKENLOOPER AMENDMENT) BEFORE WHICH SATISFACTORY PROGRESS TOWARD COMPLETION HAD TO BE MADE. THE DEADLINE WAS "LIKE THE SWORD OF DAMOCLES OVER THE HEAD OF THE BENIN GOVERNMENT". BENIN WAS A "NEW STATE" AND COULD NOT ACT AS RAPIDLY AS SOME OTHERS WITH MORE EXPERIENCED BUREAUCRACY.

C) IT HAD BEEN THE GRPB INTENTION TO INFORM AMBASSADOR ENGLE OF ITS READINESS TO NEGOTIATE WHEN HE WAS CONVOKED ON FEBRUARY 10 (SIC). NOW THAT THE COMPANIES COULD BEGIN NEGOTIATIONS THE GPRB HOPED AMBASSADOR ENGLE'S CONSULTATIONS IN WASHINGTON COULD BE CONCLUDED, AND THAT WORK COULD BEGIN AGAIN ON THE COTONOU BRIDGE.

2. IN REPLY WE SAID WE WERE PLEASED TO HEAR FROM AMBASSADOR BOYA THAT THE GPRB WAS NOW PREPARED TO NEGOTIATE WITH TEXACO AND MOBIL. WE NOTED, HOWEVER, THAT THIS POINT WAS MADE IN THE GPRB NOTE TO US OF FEBRUARY 12. IN RESPONSE TO THAT STATEMENT OF READINESS TO NEGOTIATE, MOBIL HAD SENT A REPRESENTATIVE TO COTONOU AND TEXACO HAD BEEN ABOUT TO FOLLOW SUIT WHEN THE COMPANIES WERE TOLD THAT, IN FACT, NEGOTIATIONS COULD NOT BEGIN UNTIL MARCH 15 BECAUSE SO MANY CIVIL SERVANTS HAD BEEN REQUIRED TO TAKE AN IDEOLOGICAL COURSE IN PORTO NOVO. BOYA ACKNOWLEDGED HE KNEW OF THE EXISTENCE OF THE COURSE, BUT SAID HE WAS NOT INSTRUCTED ABOUT ITS EFFECT ON THE NEGOTIATIONS. HE DID ACKNOWLEDGE THAT THE SEMINAR WOULD DELAY THE BEGINNING OF THE TALKS, BUT ADDED THAT THE SEMINAR HAD NOT BEEN ORGANIZED WITH THAT PURPOSE IN MIND.

3. WE ALSO POINTED OUT THAT THE HICKENLOOPER AMENDMENT
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HAD BEEN US LAW SINCE 1962 AND WAS NOT APPLICABLE ONLY TO BENIN. THE USG HAD WAITED IN VAIN FOR 14 MONTHS FOR SOME INDICATION THAT THE GPRB WAS PREPARED TO MAKE GOOD ITS WORD THAT US FIRMS WOULD BE COMPENSATED. WE CONCLUDED WE DID NOT THINK THAT, UNDER THE CIRCUMSTANCES, BENIN HAD BEEN GIVEN TOO LITTLE TIME TO PREPARE FOR NEGOTIATIONS.

4. BOYA SAID IT WAS THE GPRB'S HOPE THAT THESE NEGOTIATIONS COULD BE BROUGHT TO A RAPID AND SUCCESSFUL CONCLUSION SO THAT THE GPRB WOULD NOT LOSE ANY US ASSISTANCE, PARTICULARLY THE BRIDGE/DAM. BOYA SAID IT IS THE FIRM "DESIRE OF THE GPRB THAT OUR RELATIONS DO NOT WORSEN. BENIN WISHES TO HAVE GOOD RELATIONS WITH THE UNITED STATES IN THE ECONOMIC, COMMERCIAL AND CULTURAL FIELDS". IN REPLY WE NOTED THAT SEVERAL PROBLEMS CONTINUE TO AFFECT BILATERAL RELATIONS, INCLUDING THE LACK OF RESPONSE FROM THE GPRB TO OUR PROTEST REGARDING THE TREATMENT OF AMBASSADOR ENGLE, AND OUR REQUEST FOR ASSURANCES THAT IT WOULD NOT BE REPEATED. BOYA SAID THAT HE HAD COMMUNICATED THIS POINT TO THE GPRB "IN AN INFORMAL MANNER" AND THAT HIS GOVERNMENT WAS AWARE OF OUR CONTINUED CONCERN.

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